

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19392
[REDACTED])	
Petitioner.)	DECISION
)	
)	

On August 11, 2005, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted]. (taxpayer), proposing income tax, penalty, and interest for taxable years 2000 through 2003 in the total amount of \$6,303.

The taxpayer filed a timely protest. He did not request a hearing or submit additional information. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

Tax Commission records showed the taxpayer (who appeared to have received Idaho sourced income) had not filed Idaho individual income tax returns for the years 2000 through 2003. The bureau sent the taxpayer correspondence asking him for an explanation of why he had not filed Idaho returns. The taxpayer did not respond.

[Redacted] Idaho Code § 63-3045 (1)(a) states:

63-3045. Notice of redetermination or deficiency --
Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax

commission and obtain redetermination of the deficiency.

When the Bureau did not receive a response from the taxpayer, it prepared Idaho returns on behalf of the taxpayer for 2000 through 2003. The NODD amounts were based on Tax Commission records [Redacted].

The taxpayer responded by letter and included a \$500 payment. He said he did not dispute that he has not filed his returns and that there are taxes due. He said he would have an opportunity to complete the returns during the winter when his seasonal work slowed down. He asked for copies of all W-2s and other income information.

The Bureau sent the taxpayer a letter to acknowledge his timely protest and provide the taxpayer with copies of his income records. The Bureau advised the taxpayer his file would be held in abeyance until December 15, 2005. When the Bureau did not receive the promised returns by February 2006, it sent a letter to the taxpayer asking him to provide an expected date of completion.

No response was received, and the taxpayer's file was transferred to the Legal/Tax Policy Division of the Tax Commission for administrative review. The taxpayer did not answer a letter from the Tax Appeals Specialist offering him the opportunity to appear for an informal conference or submit additional information. However, he did send another payment on account in the amount of \$1,000.

Idaho Code § 63-3030 establishes the filing requirement for Idaho income tax returns.

63-3030. Persons required to make returns of income. -- (a)

Returns with respect to taxes measured by income in this chapter shall be made by the following:

- (1) Every resident individual required to file a federal return under section 6012(a)(1) of the Internal Revenue Code.
- (2) Any nonresident individual having for the current taxable year a gross income from Idaho sources in excess of two thousand five hundred dollars (\$2,500), or any part-year resident individual having

for the current taxable year a gross income from all sources while domiciled in or residing in Idaho, and from Idaho sources while not domiciled in and not residing in Idaho, which in total are in excess of two thousand five hundred dollars (\$2,500);

The taxpayer met the requirements for filing Idaho individual income tax returns for 2000 through 2003. However, he did not file those returns. Based on state [Redacted] records, the Bureau prepared Idaho resident income tax returns on behalf of the taxpayer using the filing status of single with one exemption. Withholding identified in Tax Commission records was allowed to offset a portion of the tax due.

The Tax Commission has received nothing to indicate the NODD prepared by the Bureau is in error. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). The taxpayer has failed to meet his burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated August 11, 2005, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2000	\$ 629	\$157	\$209	\$ 995
2001	1,843	461	470	2,774
2002	606	152	116	874
2003	1,348	337	186	<u>1,871</u>
			TOTAL	6,514
			PAYMENTS	<u>-1,500</u>

TOTAL DUE \$5,014

Interest is computed through July 31, 2006.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of taxpayer's right to appeal this decision is enclosed with this decision.

DATED this _____ day of _____, 2006.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this _____ day of _____, 2006, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted]
[Redacted]

Receipt No.